

Interim Joint Committee on Education**Minutes of the <MeetNo1> 2nd Meeting****of the 2001 Interim**<MeetMDY1> **April 30, 2001**

The <MeetNo2> 2nd meeting of the Interim Joint Committee on Education was held on <Day> Monday, <MeetMDY2> April 30, 2001, at <MeetTime> 9:30 AM, in <Room> Room 149 of the Capitol Annex. Senator Lindy Casebier, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: <Members> Senator Lindy Casebier, Co-Chair; Representative Frank Rasche, Co-Chair; Senators Walter Blevins, Brett Guthrie, Alice Kerr, Vernie McGaha, Gerald Neal, Ernesto Scorsone, Dan Seum, Dale Shrout, Robert Stivers, and Johnny Turner; Representatives Larry Belcher, Mike Cherry, Jack Coleman, Hubert Collins, Barbara Colter, Jon Draud, Tim Feeley, Gippy Graham, Reginald Meeks, Harry Moberly, Russ Mobley, Rick Nelson, Tom Riner, Charles Siler, Dottie Sims, Kathy Stein, Gary Tapp, Jim Thompson, and Mark Treesh.

Guests: Judith Gambill, Kentucky Education Association; Libby Marshall, Kentucky School Boards Association; Cindy Heine, Prichard Committee, Allen Eskridge, Bob Shimer, Governor's Office of Policy and Management; Londa Wolanin, Kentucky Higher Education Assistance Authority; Beau Barnes, Kentucky Teachers' Retirement System; Clyde Caudill, Kentucky Association of School Superintendents & Jefferson County Public Schools; Mike Ridenour, Lexington Chamber of Commerce; and Wayne Young, Kentucky Association of School Administrators.

LRC Staff: Sandy Deaton, Ethel Alston, Audrey Carr, Evelyn Gibson, Kelley McQuerry, and Lisa Moore.

Senator Casebier welcomed all members. He reminded members that subcommittees were meeting at 12:30 p.m. and subcommittee assignments were in the members' folders. The Interim Joint Committee on Education and all subcommittees will meet again on May 15, 2001.

Upon motion of Representative Collins, seconded by Representative Rasche, the minutes of the February 5, 2001 meeting were approved by voice vote.

Senator Casebier explained that the committee will focus on 00RS SCR 88 that requires the committee to study the issues related to teacher compensation and benefits and develop recommendations so that by 2004, Kentucky's teachers' salaries and benefits shall mirror the national average. The findings and report, with enabling legislation, shall be reported to

the LRC no later than September 1, 2001.

Senator Casebier said the committee will also focus on 00 RS HCR 114 that requires the committee to conduct a study of the compensation of classified employees to determine its adequacy and make recommendations regarding the propriety of a statewide salary schedule, cost of living adjustments, and the financial impact of these measures on the state and local school districts, with a study report due to the LRC by August 31, 2001.

Senator Casebier further explained that the two studies are closely related and of great interest to all the members. The issues will be addressed in the full committee in April and May. After the full committees, the subcommittees will continue the work in more depth.

Senator Casebier introduced Dr. Lynn Cornett who is Senior Vice President of the Southern Regional Education Board (SREB). She worked with the 1999 Task Force on Teacher Quality and is very familiar with Kentucky's issues and how they compare with the other states, particularly the southern states. He expressed his appreciation to Dr. Cornett for helping the committee launch these studies.

Senator Casebier introduced committee staff, Dr. Audrey Carr and Ms. Ethel Alston, who gathered information and data related to the studies. He explained that they would present this information and the survey that is being conducted to gather additional information.

Dr. Carr told the committee that LRC Education staff wanted all committee members to have the subcommittee information. She gave the committee an update on the status of the workplan that was adopted by the full committee on February 5, 2001. The staff conducted the first web-based survey in local districts to gather information that is not otherwise available. The school districts had until April 30, 2001, to respond and 89 districts have responded. The survey information will be available for the May subcommittee meetings.

In addition, Dr. Carr said we do not have 2000-2001 data available on compensation for certified employees. She anticipates obtaining information for certified employees in May. The LRC Economist office is also working with data sets from 1993-94 and comparing them to 2000 data to provide some trend data relating to the economics of teaching and how teachers compare with other workplace professions.

Ms. Alston explained the Kentucky data on classified personnel. She explained that data on classified employees are very current on annual salaries, positions, and contract hours. The Kentucky School for the Deaf and the Kentucky School for the Blind and five local school districts including Bourbon County, Boone County, Covington Independent, Jessamine County, and Jefferson County were excluded because information was not verified at the time the database was transferred to LRC. This omits about 8,000 employees, but Ms. Alston feels that there is still enough data to see some trends in the classified service.

Ms. Alston said that she hopes that the survey will provide data otherwise unavailable in the near future. She also is working with The National Center for Educational Statistics and the Economist office to obtain comparable data from other states to compare and analyze. That information will be available in May or June, 2001.

Ms. Alston said the Subcommittee on Classified Personnel Compensation will look at the information in more detail in the meeting at 12:30 p.m.

Senator Seum asked why so many areas differ in salary schedules. Dr. Carr said current law permits each school district to determine its own salary schedule even though there is a minimum salary schedule required by law. Dr. Carr said it is correct that school districts' salaries vary widely.

Representative Meeks asked why Jefferson County information was not available. Dr. Carr said there is information on certified employees in Jefferson County for the 1999-2000 year and 2000-2001 teacher salaries. Ms. Alston said it is not available at this time for classified employees because data has not been verified. She has information on 1999-2000 classified personnel. Representative Meeks asked for a copy of that information.

Dr. Cornett began by talking about teacher salaries and the need to link decisions to state priorities. Kentucky's priority is improving student achievement and helping Kentucky students learn at higher levels. Dr. Cornett said that in order to do this Kentucky needs good teachers in every classroom.

Dr. Cornett said that Kentucky needs to be able to attract the best teachers, keep effective teachers, and motivate and support teachers to accomplish the priorities. Over the last ten years, Kentucky's percent growth in salaries has outpaced both the SREB states and the nation in general. Kentucky's growth in salaries has been almost 43%, while SREB states and the nation has been around 37%.

Dr. Cornett explained that Kentucky still has a gap. In 1990, Kentucky set salary goals with the passage of the Kentucky Education Reform Act and raised teacher salaries in the early years. The study resolution sets a goal for Kentucky salaries to reach the national average by 2004. Kentucky has also added a cost of living expense. The reality is that over the last ten years, the national average has gone up about \$1,000 a year. The ranking of teacher's salaries is always a moving target. Kentucky ranks ninth among the SREB states.

Dr. Cornett said that salary averages do not always show the complete picture. Thirty-five states in the nation are below the national average of teacher salaries. In the SREB region, 14 of 16 states are below the national average. In one state there is a 46% range between the highest and lowest paying districts.

Dr. Cornett discussed factors that affect salary averages. The first factor is the percent of growth in the number of teachers. Kentucky has increased teachers by 13% over the last ten years while decreasing enrollments in K-12 in the last ten years. Second, average years

of experience for teachers can affect where they are on the pay scale. It costs more to employ experienced teachers. Third, the average beginning salary is a factor. This is extremely important for attracting personnel in the marketplace. Kentucky has a 40% increase in the emphasis on beginning teaching salaries. Historically, Kentucky policies have required teachers to obtain a master's level degree or higher. Teachers with the higher degrees tend to be paid more and can be a factor. Kentucky's cost of living is the fifth lowest of all SREB states.

Dr. Cornett explained that total compensation is equal to salary and benefits. Kentucky is in the middle of the SREB states on how much benefits add to the total compensation package.

Dr. Cornett said there is a marketplace for teachers although it is not national or regional. Factors that influence the marketplace for teachers include enrollment growth and class size, supply and demand, the disconnect between the certification of available teachers and the open positions.

Dr. Cornett commented that supply is uneven and very regional. Supply and demand issues are very complex. Keeping current teachers in the classroom is the best way to increase supply.

Dr. Cornett said that Kentucky needs to target problems and priorities in thinking about the marketplace. Teacher turnover is higher in the early years. Kentucky also needs to think of ways to get more math and science teachers. The old approaches have not worked for about 20 years.

Dr. Cornett explained that there needs to be a balance with base salaries and the long-term salary schedules when determining teacher salaries and compensation and how they help the state reach its priorities. She said to remember group and individual incentives. Other states are giving incentive pay related to school rewards, more duties or expertise, geographic or subject shortages, and low performing schools. Kentucky is providing extra pay for teachers through programs for specialty areas or expertise in various areas.

Dr. Cornett commented that mentor and master teachers are important. Mentor teachers can cut down on the turnover in the early years. Kentucky has addressed this issue through internship programs.

Dr. Cornett urged members to remember balances in determining teacher salaries and compensation and remember to link compensation to state priorities. Dr. Cornett welcomed questions from the members.

Representative Treesh commented that the presentation was very comprehensive. He asked how Kentucky can avoid the supply/demand disconnect and how would using the median figures for salaries instead of the mean figures affect data?

Dr. Cornett said the money spread is about 46% in our region. She said she would provide the exact figures to staff. Historically, this region has had a supply/demand disconnect.

Representative Feeley asked about instructional time for a contract for a teacher in relation to teacher salary averages. Dr. Cornett said that SREB has not looked at that in figuring averages. Representative Feeley asked the LRC staff to generate that data. He also asked about the effectiveness of student loan forgiveness programs as incentives in keeping teachers involved in the early years? Dr. Cornett said SREB does not have that information, but that each state should look at the effectiveness of the programs.

Representative Draud said he would like to explore the issue of maximum and minimum salaries and teacher motivation. He said it is very important to look at districts and their history of salary compensation rather than just teachers' average salaries. Dr. Cornett said there is a variance in this that will be discussed in the subcommittee. Representative Draud said he would like maximum salaries to increase in order to keep competent teachers within the profession for longer periods of time. Dr. Cornett said conditions and support in the early years affect the retainment of teachers just as much as salaries.

Representative Meeks asked Senator Casebier to clarify Kentucky's goal to meet the national salary average. Senator Casebier said the goal in the study is to meet the national salary average and this goal is not actual legislation or the actual goal of the committee. Representative Meeks also commented that the teacher marketplace is relatively small and wondered where teaching graduates are going. Dr. Cornett said there is not good data to determine where they are going but most teachers tend to stay reasonably close to where they go to school. Representative Meeks would like for the committee to find out specifics on Kentucky graduates and where they are teaching after graduation.

Representative Moberly asked how the states are handling subject matter shortages and low performing schools. Dr. Cornett said the new round of incentives for these problems are so new that there is not actual data or information available yet. Representative Moberly said this is critical and would like information for the 2002 session and feedback on the teacher advancement programs. Kentucky has taken steps in involving Higher Education into supporting teachers in the early years with the implementation of the P-16 councils.

Representative Coleman commented on the increasing cost of health care as related to the benefits package in teacher's compensation. He does not believe that teachers get enough support paying for the rising cost of health care costs. Dr. Cornett said that all states are dealing with this issue at this time.

Senator Blevins asked if there have been studies on the local levels rather than state levels? Dr. Cornett said they have not looked in-depth at local districts within states.

Senator Casebier said the Interim Joint Committee on Education would meet on Tuesday, May 15, 2001, at 9:30 a.m. in Room 149 Annex.

The meeting adjourned at 11:10 a.m.